

CHAPTER 92 SECONDHAND DEALERS

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92-1. Pawnbroker's License. 1. DEFINITION.

"Pawnbroker" shall mean a person, firm or corporation engaged in the business of lending money on personal property or goods which are pledged as security for the loan on the condition that if the loan is not repaid within a specified period of time the goods used as security may be sold to compensate for nonpayment.

2. LICENSE REQUIRED. No person, firm or corporation shall carry on or operate within the city the business of pawnbroker without being duly licensed as herein provided and in accordance with s. 138.10, Wis. Stats.

3. APPLICATION. Application for a pawnbroker's license shall be made to the city clerk upon forms provided by the city clerk for such purpose. Each application for a license shall state:

- a. Name and address of applicant.
- b. The trade name and address of the business sought to be licensed.
- c. Name of person, officers and their residence where the applicant is an association or corporation, together with the state of incorporation. It shall also contain the names of one or more persons whom such corporation or association shall designate as manager or person in charge, with the address or addresses of the same.

d. That such application for a license is not made for and on behalf of any other person by the applicant acting as an agent for or in the employ of another.

e. Such other reasonable and pertinent information as the city clerk may from time to time require.

4. INVESTIGATION. The chief of police shall investigate or cause to be investigated each applicant for such license and shall furnish to the city clerk in writing the information derived from such investigation.

5. ISSUANCE; TERMS. a. The common council may authorize or deny the license.

b. No license shall be granted to any person who is not of good moral character and who has not resided in the state of Wisconsin continuously for a period of at least one year prior to the date of filing an application, nor shall any such license be granted or issued to any person who has habitually been a petty law offender or has been convicted of an offense against the laws of the United States or any laws of this state punishable by imprisonment in the state prison or other penal institution as felonies unless the person so convicted has been duly pardoned, subject to s. 111.335, Wis. Stats.

c. See s. 81-88 for the required license fee.

d. Every person so licensed shall prior to the time of receiving such license enter with 2 sufficient sureties into a joint and several bond to the city of Milwaukee in the penal sum of \$500 for the due observation of all ordinances of the common council as may be passed or enforced respecting pawnbrokers.

e. No such license shall be transferable.

6. REGULATIONS. a. Pawn Receipt.

a-1. Every pawnbroker shall at the time of each loan deliver to the person pawning or pledging any goods, article or thing a pawn receipt signed by him containing the name and business address of the pawnbroker to whom pledged, a brief description of such goods, article or thing pawned or pledged, the amount of money loaned thereon, the date and time of pledging the same. There shall be no charge for issuing a pawn receipt.

a-2. Every pawn receipt shall be made out in duplicate, numbered serially, and a copy thereof shall be retained by the pawnbroker and shall be open to the inspection of the chief of police or any member of the police force designated by the chief of police for such purpose during normal business hours.

a-3. Any person pawning or pledging any goods, article or thing shall present adequate identification to the pawnbroker at the time of loan. The type and kind of identification shall be limited to one of the following:

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a-3-a. A Milwaukee county identification card.

a-3-b. A valid Wisconsin motor vehicle operator's license.

a-3-c. A state identification card.

a-3-d. A valid motor vehicle operator's license, containing a picture, issued by another state.

a-3-e. A military identification card.

a-3-f. A valid passport.

a-3-g. An alien registration card.

a-3-h. A nonpicture identification document by a state or federal government, if the pawnbroker also obtains a clear imprint of the person's right index finger.

b. Records to be Kept. b-1. Every pawnbroker shall keep a bound book approved as to type and form by the chief of police, with certification of such approval endorsed therein over the signature of a member of the police department designated for that purpose by the chief of police, in which shall be clearly and legibly written in ink at the time of each loan or purchase an accurate and true description in the English language of the goods, article or thing pawned, pledged or bought, the amount of money loaned thereon, or paid therefor, the date and time of pledging the same, true name of person dealt with as nearly as known, as well as his signature, place of residence, sex, age, height, build, color of hair, complexion, color and style of beard or mustache and description of dress; and no entry made in such book shall be erased, obliterated or defaced. The description of the property shall include, but not be limited to, any trademark, identification number, serial number, model number, brand name, description by weight and design of such property, other identification marks and inscriptions of personal nature; and when applicable, whether the article is a male or female item. Such book, as well as every article or thing of value pawned, pledged or purchased, shall be open to the inspection of the chief of police or any member of the police force designated by the chief of police for such purpose during normal business hours. The book shall be retained for a period of not less than a year.

b-2. The pawnbroker shall obtain a written declaration of ownership from the person pawning or pledging any goods, article or thing which shall state whether he or she has owned the article, whether he or she or someone else found the article, and if the article was found, the details of its finding.

b-3. The person pawning or pledging the item shall sign his or her name in such book and on the declaration of ownership.

c. Daily Report to be Made. c-1. It shall be the duty of every licensed person aforesaid to make out and deliver to the chief of police every day, before the hour of 12 noon, in the form provided for this purpose by the chief of police, a legible, complete and correct copy from the book required by par. b of all personal property and other valuable thing received on deposit or purchased during the preceding day, except furniture and household goods, together with the time of the day when the same was received or purchased, an accurate and true description in the English language of the goods, article or thing pawned, pledged or bought, the amount of money loaned thereon, or paid therefor, true name of person dealt with as nearly as known, as well as his place of residence, sex, age, height, build, color of hair, complexion, color and style of beard or mustache and description of dress.

c-2. If any article so left on deposit, pledged or purchased has engraved thereon any number, word or initial or contains any settings of any kind, the description of such article in such report shall contain such number, word or initial, and shall show the kind of settings and the number of each kind. Blanks to be obtained from the office of the chief of police, as herein provided, shall bear a caption providing blank spaces in which shall be written or printed the date of such report, the name and place of business of the person, firm or corporation making the same, and the hour of the day when the same is received at the office of the chief of police. Such blanks shall be so printed and subdivided as to contain spaces with proper captions for the furnishing of information required by this section.

d. Articles to be Held for 30 Days. Any personal property, goods, article or thing pledged as security for a loan shall be kept on the pawnbroker's premises in the form it was received for not less than 30 days, for inspection by the chief of police or any other police officer, except in cases of conditional transactions when the person is known by the licensee to be the true owner shall have redeemed, repurchased or recovered the article.

e. Chief of Police to Hold Article for Identification. The chief of police may, in his own discretion, cause any article or thing of value which has been pawned, pledged, or purchased, which he shall have reason to believe was not so pawned, pledged, or disposed of by the lawful owner, to be held for the purpose of being identified by such lawful owner for such reasonable length of time as the chief of police shall deem necessary for such identification.

f. Minors. No pawnbroker shall have any business dealings as a pawnbroker with any person less than 18 years of age, except with the written consent of the parents or guardian of the minor to each particular transaction.

g. Intoxicated Persons. No pawnbroker shall bargain for, take, purchase or receive in pawn any property, bonds, notes, securities, articles or other valuable thing from any intoxicated person.

h. Stolen Goods. It shall be the duty of every pawnbroker to report to the police any article pledged with him, or which is sought to be pledged with him, if he shall have reason to believe that the article was stolen or lost, and found by the person attempting to pledge it in the case of a lost article.

7. LICENSE REVOCATION. The common council may revoke any license issued under the provisions of this section for fraud, misrepresentation, or false statement contained in the application for a license or in the course of conducting the business of pawnbroker, or for any violation of this section.

8. PENALTY. Any person or firm violating this section shall, upon conviction, forfeit not less than \$250 nor more than \$1,000, together with the costs of prosecution; and, in default of payment, shall be imprisoned in the house of correction or the county jail not to exceed 90 days, or until such forfeiture costs are paid.

92-2. Secondhand Dealer's License.

1. DEFINITIONS. a. "Articles of personal property" means any and all articles of personal property except those specifically excluded in this section.

b. "Member of the general public" means individuals, partnerships, firms, corporations or other associations.

c. "Secondhand" means previously owned by a member of the general public immediately prior to the transaction at hand. It does not mean previously owned by a wholesaler, retailer or another secondhand dealer.

d. "Secondhand dealer" means any person, firm, partnership, corporation or association operating, owning or leasing a fixed place of business for the purchase, sale or exchange of any secondhand articles of personal property.

e. "Secondhand dealer mall" means a fixed location where 2 or more secondhand dealers operate their business as described in sub. 10.

2. LICENSE REQUIRED; EXCEPTION.

a. It shall be unlawful to operate or carry on the business of being a secondhand dealer without having first obtained a secondhand dealer's license.

b. No individual secondhand license shall be required of a secondhand dealer operating his or her business on premises with a secondhand dealer's mall license as described in sub. 10.

c. This section does not apply to parties dealing in motor vehicles, coins, stamps, gold and silver bullion, secondhand jewelry, videos, video games, cassettes, compact discs, baseball cards, secondhand books and magazines, works of fine art and secondhand industrial machinery and equipment.

d. This section does not apply to parties operating a business as a licensed precious metal and gem dealer, pawnbroker, junk collector, junk dealer or auctioneer.

e. This section does not apply to transactions at occasional garage or yard sales, estate sales, coin, gem, stamp or antique shows, conventions or auctions.

f. This section does not apply to any charitable organization or to any person conducting a sale the proceeds of which are donated to a charitable organization.

3. APPLICATION. Application for a secondhand dealer's license shall be made to the city clerk on forms furnished by the city clerk, and shall contain the following:

a. The name, place and date of birth and street residence of the applicant.

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b. The trade name and address of the business and the name and address of the owner of the premises.

c. A statement as to whether within the preceding 10 years the applicant has been convicted of any crime, petty misdemeanor or municipal ordinance violation relating to theft, damage or trespass to property or operation of a business, the nature and date of the offense and the penalty assessed.

d. Whether the applicant is a natural person, corporation or partnership.

d-1. If the applicant is a corporation, the state of incorporation and the names and addresses of all officers and directors.

d-2. If the applicant is a partnership, the names and addresses of all partners.

e. The name of the manager or proprietor of the business.

f. Such other reasonable and pertinent information as the city clerk may from time to time require.

4. INVESTIGATION. The chief of police shall investigate or cause to be investigated each applicant for such license, and shall furnish to the city clerk in writing the information derived from the investigation.

5. ISSUANCE; TERMS. a. The common council may authorize or deny the license.

b. No license shall be granted to any applicant who is not of good professional character or who has been convicted of any felony, misdemeanor or other offense the circumstances of which substantially relate to the circumstances of being a secondhand dealer. In this paragraph "applicant" includes any individual or partner, and any officer, director or agent of any corporate applicant.

c. No secondhand dealer's license shall be granted to any person who has not resided in the state of Wisconsin continuously for a period of at least one year prior to the filing of his or her application.

d. See s. 81-104 for the required license fee.

6. REGULATIONS FOR PURCHASES AND EXCHANGES ON THE SECONDHAND DEALER'S PREMISES. a. For every article of secondhand personal property purchased or exchanged by a secondhand dealer on the dealer's premises, the dealer shall keep a register in a permanent well-bound book, in which the dealer shall record legibly in English the name, address and date of birth of

the seller and the seller's driver's license number or the number of other identification required under sub. 8. The dealer shall also record the date, time and place of the purchase and an accurate and detailed account and description of each article being purchased, including but not limited to, any trademark, identification number, serial number, model number, brand name, description by weight and design of such article and other identifying marks, identifying descriptions of a personal nature and, when applicable, whether the article is a male or female item. Such register shall be made available to any police officer for inspection at any reasonable time. The secondhand dealer shall also obtain a written declaration of the seller's ownership, on a form to be provided by the Milwaukee police department, which shall state whether the article is totally owned by the seller, how long the seller has owned the article, whether the seller or someone else found the article, and if the article was found, the details of its finding. The seller shall sign his or her name in such register and on the declaration of the ownership form. Any records identifying the items purchased or exchanged shall be retained by the dealer for at least one year from the date of transaction.

b. Any article purchased by a secondhand dealer on the dealer's premises shall be kept on the dealer's premises in the form that it was received for not less than 10 days from the date of purchase, during which time the article shall be held separate and apart from any other transaction and shall not be changed or altered in any manner. The secondhand dealer shall permit the chief of police or any other police officer to inspect the article during the 10-day period. The chief of police or any other officer designated by the chief may cause any article which has been sold or exchanged, which the chief or designee has reason to believe was not sold or exchanged by the lawful owner, to be held for the purpose of identification for such reasonable additional length of time as the chief of police or the designee deems necessary.

c. Every secondhand dealer shall provide the police department on a time schedule to be determined by the department, with a record, on a form to be provided by the department, of all articles purchased on the dealer's premises during the preceding time

period determined by the police department and one copy of the seller's declaration of ownership. The form for recording such purchase shall contain the same information to be recorded in par. a. The police department is authorized to forward copies of such records and declarations of ownership, upon request, to any other law enforcement agency.

7. PURCHASES AND EXCHANGES OFF THE PREMISES; CONSIGNMENT SALES ON THE PREMISES. For every article of secondhand personal property purchased or exchanged by the secondhand dealer off the dealer's premises in the city and for every article of personal property consigned to a secondhand dealer for sale on the dealer's premises, the dealer must keep a written inventory, in which the dealer shall record legibly in English the name and address of the seller. The dealer shall also record the date, time and place of purchase and an accurate and detailed account and description of the articles being purchased which may include any trademark, identification number, serial number, model number, brand name, description by weight and design of such articles, and other identifying marks, identifying inscriptions of a personal nature and, when applicable, whether the articles are male or female items. The seller shall sign his or her name in such written inventory attesting to his or her ownership of the item described. Such written inventory shall be made available to any police officer for inspection at any reasonable time. Any records identifying the items purchased or exchanged shall be retained by the dealer for at least one year from the date of transaction.

8. DEALER TO IDENTIFY SELLER. No secondhand dealer shall purchase any goods, articles or things of value without first securing adequate identification from the seller. At the time of the transaction, the dealer shall require the seller to present to the dealer one of the following items of identification:

- a. A Milwaukee county identification card.
- b. A valid Wisconsin motor vehicle operator's license.
- c. A state identification card.
- d. A valid motor vehicle operator's license, containing a picture, issued by another state.
- e. A military identification card.

- f. A valid passport.
- g. An alien registration card.
- h. A nonpicture identification document issued by a state or the federal government, if the dealer also obtains a clear imprint of the seller's right index finger.

i. A senior citizen's identification card containing a photograph.

9. BUYING FROM MINORS. No secondhand dealer shall have any business dealings as a secondhand dealer with any person less than 18 years of age, unless that person is with a parent or guardian or the parent or guardian appears with that person and files a signed consent form indicating permission for that person to transact business with the dealer. Such written consent may be retained by the dealer and used for subsequent transactions with the minor without the presence of the parent or guardian.

10. a. The owner of a business, at which 2 or more secondhand dealers are engaged in business by maintaining separate sales space and identifying themselves to the public as individual dealers, may obtain a secondhand dealer mall license for that location. No individual secondhand dealer license is required of the tenant occupants of such premises.

b. No mall license shall be issued unless the following requirements are met:

b-1. The business shall have a single name and address.

b-2. The business shall be under the unified control of one person, partnership, firm, corporation or association, which shall hold the mall license.

b-3. All sales shall be consummated at a central point or register operated by the owner of the business, and the owner shall maintain a comprehensive account of all sales.

c. The holder of a secondhand dealer mall license and each tenant dealer occupying space in such mall shall comply with the requirements of this section, including the responsibilities for police reporting and recordkeeping, in the same manner as any other dealer licensed under this section.

d. See s. 81-104.5 for the secondhand dealer mall license fee.

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11. PENALTY. a. Any person, firm, partnership, corporation or association violating this section shall, upon conviction for a first offense, forfeit not less than \$50 nor more than \$1,000, together with the costs of prosecution and, in default of payment, shall be imprisoned in the house of correction or county jail not to exceed 6 months or until such forfeiture costs are paid in full.

b. Any person, firm, partnership, corporation or association violating this section shall upon conviction for the second and subsequent offenses, forfeit not less than \$500 nor more than \$2,000, together with the costs of prosecution, and in default of payment, shall be imprisoned in the house of correction or county jail not to exceed 6 months, or until such forfeiture costs are paid in full.

92-3. Junk Collectors and Dealers.

1. PURPOSE. The purpose of this section is to regulate and control businesses handling and dealing in junk in the city of Milwaukee, to prevent stolen property being disposed of because it is misrepresented as legitimately acquired junk and to avoid the storage of junk in a dangerous or unsanitary manner.

2. DEFINITIONS. a. "Junk" shall mean used materials of any kind including rags, paper, rubbish, bottles, glassware, crockery, bags, cloth, rubber, vehicle tires, ferrous and nonferrous metals, clothing, siphons, old rope, plumbing materials, salvage gas and electric fixtures, waste materials, and all articles or things discarded. This definition, however, shall not be deemed to be exclusive.

b. A "junk dealer" shall mean a person, firm, partnership or corporation that buys, sells, gathers, delivers or stores junk and maintains a yard or building therefor as a principal place of business.

c. A "junk collector" shall mean a person who buys, sells, collects, gathers or delivers junk within the city as a business or employment but who is not a junk dealer within the city or an employee of such a dealer.

3. LICENSE REQUIRED. a. It shall be unlawful for any person, firm, partnership or corporation to engage in the business of junk collector or junk dealer without having first obtained the appropriate license therefor as is hereinafter provided.

b. No license issued to a junk collector or to a junk dealer under the provisions of this section shall be used by any person other than the one to whom it was issued.

4. APPLICATION. Application for a junk collector's license or a junk dealer's license shall be made to the city clerk on forms furnished by the city clerk, and shall state thereon:

a. The name and address of the applicant.

b. The trade name and address of the the business to be licensed.

c. The name of officers and their residences where the applicant is an association or corporation, together with the state of incorporation. It shall also contain the names of one or more persons whom such corporation or association shall designate as manager or person in charge, with the address or addresses of the same.

d. That such application for a license is not made for or on behalf of any other person by the applicant acting as an agent for or in the employ of another.

e. Such other reasonable and pertinent information as the city clerk may from time to time require.

5. INVESTIGATION. The chief of police shall investigate or cause to be investigated each applicant for a junk collector or a junk dealer license and shall furnish to the city clerk in writing the information derived from such investigation.

6. ISSUANCE; TERMS. a. The common council shall grant a license to the applicant if the requirements of this section have been complied with upon the payment of the fee required in ss. 81-63 and 81-64 for the junk collector license or the junk dealer license.

b. No license shall be granted to any person who is not of good moral character, nor shall any junk collector or junk dealer license be granted or issued to any person who has habitually been a petty law offender or who has been convicted of any offense against the laws of the United States or any laws of this state punishable by imprisonment in the state prison or other penal institution as felonies within a period of 3 years prior to the date said application has been made, unless the person so convicted has been duly pardoned, subject to s. 111.335, Wis. Stats.

c. The provisions of this section shall not apply to a Wisconsin corporation. Such provisions apply, however, to all officers and directors of such corporation.

d. See ss. 81-63 and 81-64 for the required fees for the junk collector's license and the junk dealer's license.

e. No such license shall be transferable.

7. REGULATIONS. a. Sales Form. No junk collector or junk dealer may purchase, in cash, any ferrous or nonferrous metal, with the exception of aluminum cans, without properly recording each sale on a form approved by the police department. The form must include:

a-1. A transaction number.

a-2. The date of the transaction.

a-3. The printed name and address of the seller.

a-4. A statement as to whether the seller holds a junk collector's license and, if so, the number of said license.

a-5. The type and weight of the property sold along with an additional description of the property, if applicable.

a-6. A statement as to whether the property being sold is the wholly-owned personal property of the seller and, if not, whether the property was obtained under a junk collector's license or if the seller is a licensed electrician under s. 222-11, a certified home improvement contractor under s. 95-14, or a licensed plumber under ch. 145, Wis. Stats.

a-7. The amount of the sale.

a-8. The seller's signature.

b. Payment by Check. With the exception of those items listed in par. c, if a junk collector or junk dealer issues a check for a sale, the sale need not be recorded as provided in par. a.

c. Exceptions. All sales involving aluminum siding, screens, windows, window frames and doors, metal bathtubs and sinks, nonplastic pipe and manhole covers, including lids, grates and frames, whether or not the seller is paid in cash or by check, must comply with par. a and in addition, include the seller's date of birth, a valid form of identification or the license number of the seller's vehicle. For the sale of any manhole cover, the seller shall also be required to provide documentation to verify how, where and from whom the cover was acquired. If the documentation cannot be verified as to authenticity, the collector or dealer shall be prohibited from making the purchase.

d. Buying From Minors. No junk collector or junk dealer may purchase any ferrous or nonferrous metals from any person less than 18 years of age, unless that person is with a parent or guardian. The parent or guardian with the minor must sign a consent form which permits the minor to transact business with the collector or dealer. The collector or dealer may retain the written consent form and use it for subsequent transactions, without the parent or guardian being present.

e. Records To Be Maintained. Records of purchases of ferrous or nonferrous metal by any junk collector or junk dealer licensed under this section, which shall include the information listed in par. a, shall be maintained at each licensee's premises. Each entry shall be made in ink and shall not be changed, erased or mutilated. Such records shall be made available for police department inspection during the licensee's normal business hours. The police department may forward copies of such records to any other law enforcement agency.

f. Holding Period. The chief of police or any police officer designated by the chief may, at the chief's discretion, cause any ferrous or nonferrous metal believed to have been sold by someone other than the lawful owner to be held for the purpose of identification by its lawful owner for not more than 48 hours.

g. Wholesale Lots. This section shall not apply to the buying, handling and selling of scrap metal in wholesale lots from regularly established foundries, mills, manufacturers, certified home improvement contractors, as defined in s. 95-14, or licensed junk dealers. When such purchases are made from a licensed junk collector, the record of such purchase shall state the junk collector's license number.

h. License Plates. Each vehicle used by a junk collector or junk dealer for business purposes shall have affixed to it in a prominent place a license plate or sticker with the words "junk collector" or "junk dealer" stamped on it. The plates shall be issued by the city clerk at the time the license is granted. Effective May 2, 1992, the city clerk shall issue only stickers to those applicants granted junk collector or junk dealer's licenses.

i. Regulations to be Posted. A copy of these regulations shall be issued to each junk collector and junk dealer at the time the license is granted. These regulations must be posted in

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a conspicuous place on the premises of each junk dealer's business.

8. LICENSE SUSPENSION, REVOCATION OR NONRENEWAL. The common council may suspend, revoke or not renew any junk collector or junk dealer license granted under this section for fraud, misrepresentation, or false statement contained in the application for a license or made in the course of conducting the business of a junk collector or junk dealer; for violations of city building and zoning code provisions relating to the deposit or storage of junk; or for any violation of this section.

9. PENALTY. Any person, firm, partnership or corporation found guilty of violating this section shall be subject to a forfeiture of not less than \$50 nor more than \$500 for the first offense, and not less than \$500 nor more than \$5,000 for each subsequent offense. Any person in default of payment thereof shall be imprisoned in the county jail or house of correction of Milwaukee county for a period not less than 2 days nor more than 90 days.

92-4. Aluminum Can Reclaiming Machines.

1. DEFINITION. In this section: "aluminum can reclaiming machine" means any machine used for the exchange of aluminum cans for cash or a cash receipt.

2. LICENSE REQUIRED. No person shall operate an aluminum can reclaiming machine in the city without obtaining a license for its operation. Applications for an aluminum can reclaiming machine license shall be made to the city clerk on forms furnished by the city clerk, and shall provide such information as required by the city clerk.

3. LICENSE STICKER. Each aluminum can reclaiming machine shall have affixed in a prominent place, plainly visible, a license sticker which shall be a different color each biennial license period and which shall have stamped thereon the words "aluminum can reclaiming machine" and the license number. The sticker shall be furnished by the city clerk to the licensee when the license is granted.

4. FEE. See s. 81-2.7 for the required fee for an aluminum can reclaiming machine license.

92-10. Precious Metal and Gem Dealer's License. 1. DEFINITIONS. In this section:

a. "Jewelry" means any tangible article of personal property ordinarily wearable on the person consisting in whole or in part of gold, silver, platinum, aluminum, lead, brass, copper, pewter, alexandrite, diamonds, emeralds, garnets, opals, rubies, pearls, jade, and such other metals, minerals or gems customarily regarded as precious or semiprecious.

b. "Member of the general public" means individuals, partnerships, corporations or other associations.

c. "Precious metal and gem dealer" means any person, corporation, partnership or association which engages in any transaction of buying, selling or receiving secondhand jewelry, sterling silverware or gold or silver coins or bullion to and from the public within the city from a fixed and regular place of business. "Precious metal and gem dealer" does not include a business which smelts, refines, assays or manufactures precious metals, gems or valuable articles and has no retail operation open to the public.

d. "Secondhand" means previously owned by a member of the general public immediately prior to the transaction at hand. It does not mean previously owned by a wholesaler, retailer or by a secondhand dealer licensed under s. 92-2.

2. LICENSE REQUIRED. a. No person, corporation, partnership or association shall engage in the business of dealing in, selling and exchanging secondhand jewelry, sterling silverware or gold and silver coins or bullion without having first obtained a license as provided in this section.

b. The requirements of this section do not apply to the following:

b-1. Transactions at occasional garage or yard sales, estate sales, coin, gem, or antique or stamp shows, conventions or auctions.

b-2. Transactions involving the purchase of grindings, filing, slag, sweeps, scraps or dust from an industrial manufacturer, dental laboratory, dentist or agent thereof.

b-3. Transactions involving the purchase of photographic film, such as lithographic and x-ray processing.

b-4. Operations between dealers licensed under this section.

b-5. Transactions at financial institutions licensed or regulated by the state of Wisconsin or U.S. government.

3. APPLICATION. Application for a precious metal and gem dealer's license shall be made to the city clerk on forms furnished by the city clerk, and shall contain the following:

a. Name, place and date of birth and street residence of the applicant.

b. The trade name, address of the business and name and address of the owner of the premises.

c. A statement as to whether within the preceding 10 years the applicant has been convicted of any crime, petty misdemeanor or municipal ordinance violation relating to theft, damage or trespass property or operation of a business, the nature and date of the offense and the penalty assessed.

d. Whether the applicant is a natural person, corporation or partnership.

d-1. If the applicant is a corporation, the state of incorporation and the names and addresses of all officers and directors.

d-2. If the applicant is a partnership, the names and addresses of all partners.

e. The name of the manager or proprietor of the business.

f. Such other reasonable and pertinent information as the city clerk may from time to time require.

4. INVESTIGATION. The chief of police shall investigate or cause to be investigated each applicant for such license, and shall furnish to the city clerk in writing the information derived from such investigation.

5. ISSUANCE; TERMS. a. The common council may authorize or deny the license.

b. No license shall be granted to any applicant who is not of good professional character or who has been convicted of any felony, misdemeanor or other offense the circumstances of which substantially relate to the circumstances of being a precious metal and gem dealer. In this paragraph, "applicant" includes any individual or partner, and any officer, director or agent of any corporate applicant.

c. No precious metal and gem dealer's license shall be granted to any person who has not resided in the state of Wisconsin continuously for a period of at least one year prior to the filing of his or her application.

d. See s. 81-99.5 for the required license fee.

6. REGULATIONS. a. Dealer to Identify Seller. No precious metal and gem dealer shall purchase any secondhand jewelry, sterling silver or gold or silver coins or bullion without first securing adequate identification from the seller. At the time of the transaction, the dealer shall require the seller to present to him or her one of the following types of identification:

a-1. A Milwaukee county identification card.

a-2. A valid Wisconsin motor vehicle operator's license.

a-3. A state identification card.

a-4. A valid motor vehicle operator's license, containing a picture, issued by another state.

a-5. A military identification card.

a-6. A valid passport.

a-7. An alien registration card.

a-8. A nonpicture identification document issued by a state or the federal government, if the dealer also obtains a clear imprint of the seller's right index finger.

a-9. A senior citizen's identification card containing a photograph.

b. Buying From Minors. No precious metal and gem dealer shall have any business dealings as a precious metal and gem dealer with any person less than 18 years of age, unless that person is with a parent or guardian or the parent or guardian appears with that person and files a signed consent form indicating permission for that person to transact business with the dealer. Such written consent may be retained by the dealer and used for subsequent transactions with the minor without the presence of the parent or guardian.

c. Dealer to Maintain Register and Obtain Declaration of Seller's Ownership. c-1. Every precious metal and gem dealer licensed under this section shall keep a register in a permanent well-bound book, in which the dealer shall record legibly in English the name, address and date of birth of the seller, driver's license number or the number of other identification allowed under par. a. The dealer shall also record the date, time and place of the purchase and an accurate and detailed account and description of each article being purchased. including but not limited to, any trademark, identification number, serial number, model number, brand name, description by weight and design of such article, and other identifying marks, identifying

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descriptions of a personal nature and, when applicable, whether the article is a male or female item. The book shall be written in ink, and no entry in such book shall be erased, mutilated or changed.

c-2. The dealer shall also obtain a written declaration of the seller's ownership which shall state whether the article of secondhand jewelry, sterling silverware or gold or silver coins or bullion is totally owned by the seller, how long the seller has owned the article, whether the seller or someone else found the article, and if the article was found, the details of its finding.

c-3. The seller shall sign his or her name in such register and on the declaration of the ownership.

c-4. Such register shall be made available to any police officer for inspection at any reasonable time.

c-5. In lieu of the permanent well-bound book described in subd. 1, the dealer may keep sequentially numbered invoices containing the same information as required in subd. 1. Blank or voided invoices shall be kept in sequence.

d. Holding Period. d-1. Any article of secondhand jewelry or sterling silverware purchased by a precious metal and gem dealer from a member of the general public shall be kept on the dealer's premises in the form that it was received for not less than 15 days from the date of purchase, during which time the article shall be held separate and apart from any other transaction and shall not be changed or altered in any manner. The dealer shall permit the chief of police or any other police officer designated by the chief to inspect the article during the 15-day period.

d-2. The chief of police or any police officer designated by the chief may, in his or her discretion, cause any article of secondhand jewelry or sterling silverware which has been exchanged or purchased, which he or she has reason to believe was not sold or exchanged by the lawful owner, to be held for the purpose of identification for such additional reasonable length of time as the chief of police or designee deems necessary.

d-3. Gold and silver bullion and coins shall not be subject to the holding requirement imposed by subds. 1 and 2.

e. Reports Required. e-1. Every dealer shall provide the police department, on a form to be provided by the department, a record of all articles of secondhand jewelry, sterling silverware or gold or silver coins or bullion purchased from any person, except as set forth in sub. 2-b. The form shall include a copy of the seller's declaration of ownership. The form for recording such purchase shall contain the same information required to be recorded in the dealer's register pursuant to par. c. The police department shall designate the dates on which the records and declarations shall be picked up by the police department.

e-2. The police department may forward copies of such records and declarations of ownership, upon request, to any other law enforcement agency.

7. LICENSE REVOCATION. The common council may revoke any license issued under this section for fraud, misrepresentation or false statement contained in the application for a license or in the course of conducting the business of precious metal and gem dealer or for any violation of this section.

8. PENALTY. a. Any person, firm or corporation violating this section shall, upon conviction for a first offense, forfeit not less than \$50 nor more than \$1,000, together with the costs of prosecution and, in default of payment, shall be imprisoned in the house of correction or jail not to exceed 6 months, or until such forfeiture costs are paid in full.

b. Any person, firm or corporation violating this section shall upon conviction for the second and subsequent offenses, forfeit not less than \$500 nor more than \$2,000, together with the costs of prosecution, and in default of payment, shall be imprisoned in the house of correction or county jail not to exceed 6 months, or until such forfeiture costs are paid in full.

**LEGISLATIVE HISTORY
CHAPTER 92**

Abbreviations:

am = amended
cr = created

ra = renumbered and amended
rc = repealed and recreated

rn = renumbered
rp = repealed

<u>Section</u>	<u>Action</u>	<u>File</u>	<u>Passed</u>	<u>Effective</u>
92-1	rc	79-191	6/28/79	7/14/79
92-1-5-b	am	911767	1/21/92	2/7/92
92-1-6-a-3	cr	83-1869	11/13/84	12/5/84
92-1-6-b	ra to 92-1-6-b-1	83-1869	11/13/84	12/5/84
92-1-6-b-2	cr	83-1869	11/13/84	12/5/84
92-1-6-b-3	cr	83-1869	11/13/84	12/5/84
92-1-8	am	81-283	1/5/83	1/22/83
92-2	rc	83-1868	1/22/85	2/9/85
92-2-2-c	am	921955	4/8/93	4/28/93
92-2-2-c	am	930107	5/25/93	6/12/93
92-2-3-d-2	am	84-1989	4/19/85	5/9/85
92-3	cr	80-1081	10/21/80	11/6/80
92-3-2-a	am	85-1780	3/4/86	3/21/86
92-3-7	rc	882248	4/25/89	5/13/89
92-3-7-a	am	85-1780	3/4/86	3/21/86
93-3-7-a	rc	991039	11/29/99	12/16/99
92-3-7-c	am	901207	1/22/91	2/8/91
92-3-7-h	am	902041	4/23/91	5/10/91
92-3-8	rc	911935	11/9/93	11/30/93
92-3-9	am	81-283	1/5/83	1/22/83
92-3-9	rc	031615	6/15/2004	7/2/2004
92-4	cr	83-495	1/4/84	1/20/84
92-10	cr	84-731	1/22/85	2/9/85
92-10-1-c	am	84-731-a	1/21/86	2/7/86
92-10-1-c	am	86-1120	2/3/87	2/20/87
92-10-2-a	am	84-731-b	3/25/86	4/12/86
92-10-2-a	am	86-1120	2/3/87	2/20/87
92-10-2-b-4	rp	84-731-a	1/21/86	2/7/86
92-10-2-b-5	rn	84-731-a	1/21/86	2/7/86
92-10-2-b-5	cr	84-731-b	3/25/86	4/12/86
92-10-6-a-intro.	am	84-731-a	1/21/86	2/7/86
92-10-6-a-intro	am	86-1120	2/3/87	2/20/87
92-10-6-c-2	am	84-731-a	1/21/86	2/7/86
92-10-6-c-2	am	86-1120	2/3/87	2/20/87
92-10-6-c-5	cr	84-731-a	1/21/86	2/7/86
92-10-6-d-1	am	86-1120	2/3/87	2/20/87
92-10-6-d-2	am	86-1120	2/3/87	2/20/87
92-10-6-d-3	cr	84-731-a	1/21/86	2/7/86
92-10-6-e-1	am	84-731-a	1/21/86	2/7/86
92-10-6-e-1	am	86-1120	2/3/87	2/20/87

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